

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2018-79-E - ORDER NO. 2018-235

APRIL 17, 2018

IN RE: Application of Duke Energy Progress, LLC)	ORDER APPROVING
for Approval of the Transfer and Sale of)	THE SALE OF REAL
Property in Holly Springs, North Carolina)	ESTATE IN HOLLY
)	SPRINGS, NORTH
)	CAROLINA

Pursuant to S.C. Code Ann. Section 58-27-1300, this matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Duke Energy Progress, LLC (“DEP” or “Company”) for approval of the transfer and sale of certain real estate known as the Holly Springs, North Carolina Property (“Property”) located in DEP’s North Carolina service territory. According to DEP, the Property is a 425 acre parcel of vacant land that is not required for the Company’s current utility operations. DEP seeks to sell this property to Shenandoah Homes for \$17 million and asserts that this transaction will not affect its ability to provide reliable service to its customers at just and reasonable rates.

The Property was acquired by DEP predecessor Carolina Power & Light as part of the development of the Shearon Harris Nuclear Plant, and it has now been determined that the Property is surplus. It has a tax value of \$14,675,799. As of May 25, 2017, the appraised value of the property was \$12,765,000, and the property has a net book value of \$591,622. The original cost of the property will be credited as a reduction of the

amount carried under Account 101, "Electric Plant in Service." The difference between the sales price and the original cost of the non-depreciable property will be applied to Account 421.10, "Gain on Disposition of Property."

The South Carolina Office of Regulatory Staff has been served with a copy of the Application and exhibits, and does not object to the sale. Further, no opposition to the request has been filed in the Docket.

IT IS THEREFORE ORDERED:

Under Section 58-27-1300, Commission approval is required for regulated electric utilities seeking to sell real property with a fair market value in excess of \$1,000,000. The Property, which is part of DEP's North Carolina service area but is also included in its South Carolina rate base, meets this requirement for approval.

We have examined this matter, and we approve the sale. The record shows that the sale is just and reasonable, and the Company proposes to properly account for it in its books.

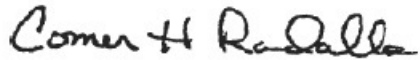
This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



Swain E. Whitfield, Chairman

ATTEST:



Comer H. Randall, Vice Chairman